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SIPDIS

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TAGS: [KMDR ES KPAO MILLENNIUM CHALLENGE ACCOUNT](#)

SUBJECT: MEDIA REACTION: MILLENNIUM CHALLENGE ACCOUNT

1. Reactions were enthusiastic to the Millennium Challenge Corporation (MCC) selection of El Salvador and Namibia as the two lower-middle income countries who are eligible to submit proposals for possible MCA funding. Press coverage of the decision was ample, mostly accurate, and included the explanation that El Salvador does not have the funds yet but has merely passed a crucial step in the process and must submit its proposal and receive approval.

2. On Frente a Frente, the most-watched morning television talk show on Channels 2,4, and 6, members of the Salvadoran National Development Commission expressed satisfaction about the decision as well as agreement with the principles behind the MCA. Minister of Finance Guillermo Suarez Lopez commented that the MCC sends correct and very important incentives by providing grant funds for lower-middle income countries who have managed their finances responsibly. Other Commission members present lauded President Saca's leadership in stimulating a policy dialogue at the highest possible level and securing the support of President Chirac to support countries like El Salvador, and they noted that the northern zone project for which the country seeks MCC funding is transformational and has been planned since before the civil conflict.

3. Excerpts from commentary in print media follow:

"We qualified for the Millennium Account"

On Wednesday, November 09, 2005, the main editorial of moderate La Prensa Grafica (circ. 110,000) read:

"Although the country had been working in making this access real, everything suggests that the meeting of President Saca and President Bush, in Mar del Plata, last Saturday, was the decisive final push. It is clear that the relation of close understanding between the two governments has produced the first great fruit based on our development.

This decision is an award to El Salvador for its efforts in its institutional reconstruction, its political stabilization, and its will toward development.

Our country has managed to go from a sort of traditional historical trap to an exercise of learning to coexist in a pacific and progressive manner which can well be described as exemplary, in spite of all there is to do still. Being chosen among 29 countries of the world is by itself an unprecedented distinction.

In other countries, when the possibility of acceding to this aid arose, they started thinking about what to propose. In our case, the initial advantage, of great importance by the way, is that the Government went with one of the mega-projects already agreed upon by the National Commission of Development: the construction of the Longitudinal Highway of the North, with all its productive and social effects."

"Millennium Account and belated budget"

On Wednesday, November 09, 2005, the main editorial of moderate Diario El Mundo (circ. 40,000) read:

Although the funds are shared with Namibia, the donation to El Salvador is an incentive to carry out the National Development Plan which was facing obstacles to implementation with what is starting to look like blockage to the approval of the 2006 General Budget due to the upcoming municipal and Legislative Assembly elections.

It makes us happy to learn about the donation for El Salvador being approved by the Millennium Challenge Corporation. The grant will contribute to the construction of the longitudinal highway of the North and will connect the departments of La Union and Morazan, a step towards the development and improved quality of life that are so needed in El Salvador."

BARCLAY